



Conditions of Purchase of Heinrichs GmbH & Co. KG

1. General - Scope

1.1 These Conditions of Purchase apply exclusively to the legal relationship between us - hereinafter referred to as the "Orderer" - and our suppliers. Conflicting conditions of the supplier deviating from our Conditions of Purchase will only be recognised if expressly agreed in writing. Our Conditions of Purchase shall also apply if we unconditionally accept the supplier's delivery in the knowledge of any conflicting or deviating conditions of the supplier.

1.2 The agreement between us and the supplier is only valid if it is made in writing. Additional terms or contractual clauses introduced by the supplier shall be deemed as null and void until such time as we have agreed to these additional terms in writing.

1.3 These Conditions of Purchase are based on all future individual contracts between us and our suppliers - with the simultaneous exclusion of any other general contract provisions.

1.4 Our Conditions of Purchase only apply to enterprises within the meaning of Section 310 para. 1 of the German Civil Code (BGB).

2. Conclusion of contract

2.1 Delivery contracts (order and acceptance) and delivery requests as well as any changes and additions made to them must be in writing. Delivery requests can also be made by remote data transmission.

2.2 A delivery contract shall only be deemed to have been concluded when we have placed a written order within 3 weeks of receipt of an offer.

2.3 We are entitled to demand reasonable changes in the delivered item regarding its construction and design; in doing so, the effects, in particular with regard to the additional or reduced costs as well as the delivery dates, shall be settled by an appropriate mutual agreement.

2.4 We reserve ownership rights and copyrights to illustrations, drawings, calculations and other documents, and they may not be made accessible to third parties without our express written consent. They are to be used exclusively for production on the basis of our order. After the order has been processed, it must be returned without being prompted; it must be kept secret from third parties.

3. Prices – Payment conditions

3.1 The price stated in the order is binding. Unless otherwise agreed in writing, the price includes delivery to its destination, including packaging. The return of the packaging requires a special agreement.

3.2 The statutory value added tax is included in the price.

3.3 Invoices can only be processed if they - in accordance with the specifications in our order - indicate the order number stated there and otherwise fulfil the requirements of Section 14 of the UStG (Sales Tax Act). The supplier is responsible for all consequences arising from any non-compliance with these obligations, unless it can prove that it is not responsible for them.

3.4 Unless otherwise agreed in writing, we shall pay the purchase price within 14 days, calculated from delivery and with proper invoicing, with a 2% early payment discount or within 30 days net.

3.5 We reserve the rights of assignment and retention to their full legal extent.

3.6 The supplier is not entitled, without our written consent, to assign any of its claims against us or to have it collected by any third parties.

3.7 The supplier must communicate his VAT identification number along with its order confirmation.

4. Delivery time and delivery conditions

4.1 The delivery time specified in the order or the delivery contract is binding; key to the observance of the delivery time is the receipt of the goods by the orderer.

4.2 The supplier is obliged to inform us immediately in writing if circumstances occur or become apparent, from which it emerges that the conditional delivery time can not be met.

4.3 In the event of a delay in delivery, we shall be entitled to the statutory claims. In particular, we shall be entitled to claim damages in place of fulfilment and rescission if a reasonable period expires without bearing any fruit. If we demand damages, the supplier has the right to prove that it is not responsible for breaching obligations.

4.4 If a contracting party discontinues its payments or if insolvency proceedings or an out-of-court settlement procedure are/is initiated against its assets, the other contracting party is entitled to withdraw from the contract for the non-fulfilled part of it.

5. Transfer of Risk

5.1 Unless otherwise agreed in writing, delivery must be made to the recipient free of charge.

5.2 The supplier is obliged to reproduce our order number precisely on all shipping documents and delivery notes; if it fails to do so, any delays in processing shall not be our responsibility.

6. Quality and documentation

6.1 The supplier must comply with the recognised technology regulations, the safety regulations and the agreed technical specifications for its deliveries. For the correctness of tools, etc., the supplier

shall provide an independent guarantee of quality. Changes to the delivery item require our prior written consent.

6.2 The supplier must constantly check the quality of the delivery items in accordance with the current state of the art of testing technology and must keep test logs which it must be able to provide to us when requested at any time free of charge.

6.3 In the case of vehicle parts marked in the technical documentation or by separate agreement, e.g. with "D", the supplier must also record in special records when, in what manner and by whom the delivery items have been checked with regard to the features requiring documentation as well as the results that may have led to quality tests having to be performed. The testing documents must be kept for 10 years and presented to us free of charge upon request. The supplier must also oblige any of its suppliers to the same extent within the scope of its legal possibilities. For guidance, reference is made to the VDA document "Parts subject to mandatory documentation by car manufacturers and their suppliers - Implementation of documentation".

6.4 As far as authorities responsible for vehicle safety, emission regulations or similar demand an insight into the production process and our test documents for checking certain requirements, the supplier, at our request, shall agree to grant them the same rights in his company and to provide all the reasonable support.

7. Inspections for defects, liability for defects

7.1 To the extent that we are required by Section 377 of the German Commercial Code (HGB) to check the delivery item for any quality and quantity deviations, our complaint is considered timely if it is received by the supplier within a period of 5 working days, calculated from the receipt of goods or, in the case of hidden defects, from the time of their discovery.

7.2 The statutory claims for defects are unconditional. In all cases we are entitled to demand from the supplier - at our discretion - that the item be rectified or a new one sent. The right to compensation, in particular for damages in place of fulfilment, is expressly reserved.

7.3 In special urgent situations, the supplier shall be obliged either to rectify the defect or to deliver a new item within 24 hours, with the choice of this being at our own discretion. If the supplier fails to fulfil its obligation for supplementary fulfilment within 24 hours despite being requested to do so in these cases of particular urgency, the purchaser shall be entitled to rectify the defect itself at the supplier's expense.

7.4 The period of limitation is 36 months, calculated from the transfer of risk.

7.5 Payments by us shall not be considered as an acknowledgment of a proper fulfilment by the supplier.

8. Product Liability - Indemnification - Liability Insurance

8.1 If the supplier is responsible for any product damage, it shall be obliged to indemnify us from any claims for damages from third parties upon first request, as far as the cause is determined to be within his domain or organisation and it for its part is liable externally.

8.2 Within the scope of his liability for claims within the meaning of item 1, the supplier is also obliged to pay any expenses according to sections 683 and 670 of the German Civil Code (BGB) and sections 830, 840, 428 of the BGB arising from or associated with a product recall initiated by us. We

shall inform the supplier as far as is possible and reasonable about the content and extent of the recall measures to be carried out and give it the opportunity to state its opinion on this. This does not affect any other statutory claims.

8.3 The supplier undertakes to conclude a product liability insurance with a coverage of € 10,000,000.00 per personal injury/property damage as a lump sum. If we are entitled to any further claims for damages, these shall also remain unaffected.

9. Intellectual property rights

9.1 The supplier makes an assurance that no third-party intellectual property rights are infringed in fulfilling its deliveries.

9.2 If a third party makes a claim against us for infringement of any intellectual property rights, the supplier is obliged to indemnify us from these claims upon first written request; we are not entitled to reach any agreements with the third party without the consent of the supplier, and in particular to arrive at a settlement.

9.3 The indemnification of the supplier relates to all expenses that we necessarily accrue from or in connection with any claim from a third party.

9.4 The period of limitation is 3 years after becoming aware or having to have known, and at most 10 years after delivery.

10. Retention of title (ownership)

10.1 Wherever we provide parts to the supplier, we still reserve the right of ownership. Any processing or transformation by the supplier is made on our behalf. If the goods for which we claim ownership are processed with other objects not belonging to us, we acquire co-ownership of the new object in a proportion corresponding to the ratio between the value of our goods (purchase price plus value added tax) and the value of the other processed objects at the time of processing.

10.2 If the item under our ownership is inseparably mixed with other items not belonging to us, we shall acquire the co-ownership of the new item in a proportion corresponding to the ratio between the value of our goods (purchase price plus value added tax) and the value of the other mixed items at the time of mixing. If the mixing takes place in such a way that the supplier's item can be regarded as the main item, it shall be deemed to have been agreed that the supplier assigns proportional co-ownership to us; the supplier shall then retain the sole possession or co-ownership on our behalf.

10.3 If the security rights to which we are entitled pursuant to clause 1 and / or clause 2 exceed the purchase price of all our unpaid retained goods by more than 10%, we shall be obliged to release the security interests at the supplier's request in a manner of our own choosing.

11. Tools - Secrecy

11.1 We reserve the rights of ownership for any tools; the supplier is obliged to use the tools exclusively for manufacturing the goods ordered by us. The supplier is obliged to insure the tools belonging to us at replacement value against fire, water and theft at their own expense. At the same time, the supplier shall assign to us all claims for compensation arising from this insurance; at this point we accept such an assignment. The supplier is obliged to carry out any necessary maintenance and inspection work on our tools as well as all maintenance and repair work at its own expense and in good

time. Incidents must be reported to us by the supplier without delay; if it fails to do so and is so culpable, our claims for damages shall remain unaffected.

11.2 Models, matrices, templates, samples, tools and other production tools, as well as confidential information provided to the supplier by us, may - even if they have been paid for by the supplier - be used for deliveries to third parties only with our written consent.

11.3 The contracting parties undertake to treat all non-public commercial and technical details which they become aware of through the business relationship as business secrets.

12. Applicable Law - Jurisdiction - Severability

12.1 For these Conditions of Purchase and indeed the entire legal relationship between us and the supplier, the law of the Federal Republic of Germany shall apply; the provisions of the UN Sales Convention do not apply.

12.2 Our business location in Lennestadt shall be the place of jurisdiction; however, we shall also be entitled to file for suit against the supplier at its seat of jurisdiction.

12.3 Should nothing else arise from the order or the delivery contract, our place of business in Lennestadt shall also be considered as the place of fulfilment.

12.4 Should any provision of these Terms of Purchase or any provision of any other agreement be or become invalid, this shall not affect the validity of the remaining provisions or agreements.

Current as of: December 2008